

WHAT IS THE SENIOR CIRCUIT BREAKER?

It is a tax credit, which is “triggered” like an electric *circuit breaker* when property taxes exceed 10% of a senior citizen’s annual income. Those who qualify will still be required to pay property taxes to their local community. Renters are considered to pay property taxes as well.

Seniors will receive a dollar credit on their Massachusetts state income taxes for every dollar that their property tax exceeds 10% of their income, up to a maximum of \$1,000 in the tax year 2012. Half of water and sewer bills are also included in the calculation.

WHO IS ELIGIBLE?

Massachusetts residents who

- 1) Are age 65 or older before January 1, 2013 (for joint filers, it is sufficient if one taxpayer is 65 years of age or older).
- 2) Own or rent residential property in Massachusetts and occupy the property as a principal residence.
- 3) Have an annual income of \$53,000 or less for a single filer; \$67,000 or less for a head of household; and \$80,000 or less for joint filers.

WHO IS NOT ELIGIBLE?

- 1) Married persons who do not file jointly for the tax credit.
- 2) Those who are a dependent of another tax filer.
- 3) Those who receive federal or state rent subsidy directly; or whose who live in a property-tax exempt facility.
- 4) Those whose property is assessed at a value of \$705,000 or more.
- 5) Renters who receive a subsidy.